



# City of Seattle

Gregory J. Nickels, Mayor

## Seattle City Light

Jorge Carrasco, Superintendent

February 21, 2008

Mr. Howard Schwartz  
Energy Policy Division  
Department of Community, Trade & Economic Development  
906 Columbia St SW  
PO Box 43173  
Olympia, WA 98504-3173

Dear Mr. Schwartz:

Recently a question arose at Seattle City Light about the rules for Initiative 937, the Energy Independence Act. Seattle City Light is evaluating the possibility of future investments in software and systems that are designed to optimize electricity production at hydroelectric plants. The incremental production is not from increasing head through elevation of reservoirs, structural changes, nor any changes to river flows, but rather through the more precise control of existing units than is presently possible. The question was, "Would the incremental hydro production qualify for meeting Initiative 937 requirements?"

Having participated in the I-937 rule-making meetings, it was my understanding that this type of investment would qualify. In fact, I recall this type of investment was stated as an example of creating incremental hydro production that did qualify for meeting Initiative 937 requirements during the meetings, with no objections. Recently again reviewing the rules with this issue in mind, I find no mention of this type of investment in any of the sections of the rules dealing with incremental hydroelectric production. I believe that this was merely an omission in trying to characterize a series of lengthy discussions, rife with many issues that were much more controversial. It is, however, an important omission from the standpoint of creating unnecessary uncertainty around a type of investment that would otherwise appear to be wholly consistent with the intent of the law. That is, the production of incremental clean energy without harmful environmental impacts.

I know that the public comment period for the Energy Independence Act has recently ended. However, I believe that it would benefit the State of Washington to clarify this point in the rules if it is possible to do so. It would help to remove one more obstacle to increased reliance upon clean and renewable energy.

Sincerely,

A handwritten signature in dark ink, reading "David Clement".

David Clement  
Director, Resource Planning



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